



Water and Sewer Rate Increases

Effective July 1, 2023

The Hillsborough Board of Commissioners approved water and sewer rate increases on June 12, with the adoption of the Fiscal Year 2023-24 budget.

The town also reduced the minimum use for water and sewer service, charging now for a minimum of 2,125 gallons to cover fixed costs for the service. Average residential utility use is 2,720 gallons monthly.

Water rates

In-town: \$10.73 per 1,000 gallons → *61-cent increase per month* (previous rate: \$10.12)
\$22.80 minimum fee → *3-cent increase per month* (previous minimum: \$22.77)
Per-gallon cost: *About 1 cent*

Out-of-town: \$20.90 per 1,000 gallons → *\$1.18 increase per month* (previous rate: \$19.72)
\$44.41 minimum fee → *4-cent increase per month* (previous minimum: \$44.37)
Per-gallon cost: *About 2 cents*

Sewer rates

In-town: \$15.09 per 1,000 gallons → *85-cent increase per month* (previous rate: \$14.24)
\$32.07 minimum fee → *3-cent increase per month* (previous minimum: \$32.04)
Per gallon cost: *About 1.5 cents*

Out-of-town: \$29.43 per 1,000 gallons → *\$1.67 increase per month* (previous rate: \$27.76)
\$62.54 minimum fee → *8-cent increase per month* (previous minimum: \$62.46)
Per-gallon cost: *About 3 cents*

Primary reasons

The increases are primarily due to inflation, with large cost increases expected in several areas, including:

- \$443,425 — Cost share for services provided to the water and sewer system through other departments and for all direct fleet maintenance costs for water and sewer vehicles.
- \$220,270 — Chemicals for treating water at the Water Treatment Plant.
- \$165,000 — Merit program increases and a cost of living adjustment.
- \$160,110 — Contracted engineering studies on water disinfection options and wastewater master planning
- \$119,515 — Added wastewater collection utility mechanic (cost includes \$70,000 for a vehicle).
- \$72,943 — Removal of the treatment byproduct alum sludge at the Water Treatment Plant.
- \$62,000 — Increase for water main repair and replacement efforts.
- \$25,000 — Contracted utility location due to greater need from gigabit fiber installations (Google Fiber will provide additional \$75,000).

The total for the planned costs above is about \$1.3 million. The total budgeted for expenditures in the Water and Sewer Fund in Fiscal Year 2024 is \$14.4 million.

More information

Revenues generated from water and sewer rates assist in funding the operation, maintenance and improvements of the Hillsborough water and sewer system. They are used for no other purpose. The town does not make a profit from providing utility services. For more information, see:

- [Frequently asked questions](#).
- [Contact us](#) page to reach the town board, staff or Water and Sewer Advisory Committee.